

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Resolution ALJ 176-3128
Administrative Law Judge Division
February 11, 2004

R E S O L U T I O N

RESOLUTION ALJ 176-3128. Ratification of preliminary determinations of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4, and 6.1 of the Commission's Rules of Practice and Procedure. (See also Rule 63.2(c) regarding notice of assignment.)

The Commission's rules and procedures which implement the requirements of Senate Bill (SB) 960 (Leonard, ch. 96-0856) are, for the most part, found in Article 2.5 of our Rules of Practice and Procedure. The rules and procedures were adopted by the Commission in D.97-11-021, which describes more fully the background to the development of these rules. Rule 4 describes the formal proceedings to which the SB 960 rules (Article 2.5) apply. Rule 6.1 requires the Commission to preliminarily determine a proceeding's category, whether the proceeding requires a hearing, and designate an Assigned Commissioner and Administrative Law Judge. Rule 6.1(a) states that the preliminary determination of category is not appealable but shall be confirmed or changed by Assigned Commissioner's ruling. Unless and until a preliminary determination is changed by such ruling, the preliminary determination of category governs the applicability of the other reforms that SB 960 requires. Rule 63.2 provides for petitioning the Commission to reassign a proceeding to another administrative law judge. Rule 63.2(c) establishes the time for filing such a petition. For purposes of Rule 63.2(c), notice of the assignment is the day the assignments associated with this preliminary categorization document appear in the Daily Calendar following the Commission business meeting.

The Categories

SB 960 makes sweeping changes in many aspects of the Commission's practices in an effort to improve the quality and timeliness of Commission decision making. It creates three categories of proceedings: adjudicatory, ratesetting, and quasi-legislative. The

applicability of many of the changes it requires depends upon the category assigned to the proceeding. For example, the ex parte rules which apply differ if the proceeding is categorized as adjudicatory rather than quasi-legislative. The Legislature defined each of these procedural categories in Section 7 of SB 960. Consistent with these definitions, the rules provide that:

“‘Adjudicatory’ proceedings are: (1) enforcement investigations into possible violations of any provision of statutory law or order or rule of the Commission; and (2) complaints against regulated entities, including those complaints that challenge the accuracy of a bill, but excluding those complaints that challenge the reasonableness of rates or charges, past, present, or future.

“‘Ratesetting’ proceedings are proceedings in which the Commission sets or investigates rates for a specifically named utility (or utilities), or establishes a mechanism that in turn sets the rates for a specifically named utility (or utilities). ‘Ratesetting’ proceedings include complaints that challenge the reasonableness of rates or charges, past, present, or future. For purposes of this Article, other proceedings may be categorized as ratesetting as described in Rule 6.1(c).

“‘Quasi-legislative’ proceedings are proceedings that establish policy or rules (including generic ratemaking policy or rules) affecting a class of regulated entities, including those proceedings in which the Commission investigates rates or practices for an entire regulated industry or class of entities within the industry.” (Rules 5(b), 5(c), and 5(d).)

Mixed or Unclear Category Proceedings

For a proceeding that may fall into more than one category, the rules allow parties to recommend that the Commission pick the most suitable category, or to recommend dividing the subject matter of the proceeding into different phases or one or more new proceedings, each with its own category. The rules provide that a proceeding that does not clearly fit into *any* of SB 960’s defined categories will be conducted under the rules applicable to the ratesetting category. As such a proceeding matures, the Commission may determine that the rules applicable to one of the other categories, or some hybrid of those rules, would be better suited to the proceeding.

As stated in D.97-06-071, ratesetting proceedings typically involve a mix of policymaking and factfinding relating to a particular public utility. Because proceedings that do not clearly fall within the adjudicatory or quasi-legislative categories likewise typically involve a mix of policymaking and factfinding, the ratesetting procedures are, in general, preferable for those proceedings.

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Next Steps

As stated above, this preliminary determination of category is not appealable. Once interested parties have had an opportunity to respond to the initiating party's proposed category, the preliminary determination shall be confirmed or changed by Assigned Commissioner's Ruling pursuant to Rule 6(a)(3). This Assigned Commissioner Ruling may be appealed to the full Commission pursuant to Rule 6.4(a). Parties have 10 days after the ruling is mailed to appeal. Responses to the appeal are allowed under Rule 6.4(b), and must be filed and served not later than 15 days after the ruling is mailed. The full Commission will consider the appeal.

Any party, or person or entity declaring an intention to become a party is entitled to petition for reassignment of the proceeding to another Administrative Law Judge, as described in Rule 63.2. Such a petition must be filed no later than 10 days after notice of the assignment. For purposes of Rule 63.2(c), notice of the assignment is the day the assignments associated with this preliminary categorization document appear in the Daily Calendar following the Commission business meeting.

Conclusion

The Commission has reviewed the initial pleading of the utility applicants listed in the attached schedule and has made a preliminary determination of category and need for hearing, consistent with the requirements and definitions of Article 2.5 of its rules.

IT IS ORDERED that each proceeding listed in the attached schedule is preliminarily categorized, and the need for a hearing is noted.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on February 11, 2004, the following Commissioners voting favorably thereon:

/s/ WILLIAM AHERN

WILLIAM AHERN
Executive Director

MICHAEL R. PEEVEY
President
CARL W. WOOD
LORETTA M. LYNCH
GEOFFREY F. BROWN
SUSAN P. KENNEDY
Commissioners

PRELIMINARY DETERMINATION SCHEDULE

Resolution ALJ 176-3128 (2/11/04)

NUMBER TITLE	PROPOSED CATEGORY	PRELIM. CATEGORY	HEARING
A04-01-029 DOE HOLDINGS CORP., IMC CHEMICAL NORTH AMERICA LLC, SEARLES DOMESTIC WATER COMPANY LLC (U 368-W), for authority to transfer control of Searles Domestic Water Company LLC.	Ratesetting	Ratesetting	NO
A04-01-031 SOUTHERN CALIFORNIA EDISON COMPANY, (U 338-E), for authority, among other things, to increase its authorized revenues for Gas Service for Santa Catalina Island in 2005 and to reflect that increase in rates.	Ratesetting	Ratesetting	YES
A04-01-033 NEUTRAL TANDEM-CALIFORNIA, LLC, for a Certificate of Public Convenience and Necessity to provide Limited Facilities-Based and Resold Local Exchange and Limited Facilities-Based Interexchange Service in California.	Ratesetting	Ratesetting	NO
A04-01-034 SOUTHERN CALIFORNIA GAS COMPANY (U 904-G), U 904-G), for authorization to establish a Revenue Sharing Mechanism for the production of Native Gas.	Ratesetting	Ratesetting	YES
A04-01-036 NOBELTEL, LLC, for a certificate of public convenience and necessity to provide UNE-P local exchange services.	Ratesetting	Ratesetting	NO
A04-01-037 BRIDGCOM, LLC, for Registration as an Interexchange Carrier Telephone Corporation pursuant to the provisions of Public Utilities Code Section 1013.	NDIEC Registration Application	Ratesetting	NO
A04-01-038 MS. KARINE OSMANYAN, dba BEST WAY TRANSPORTATION SERVICE, doing business as Best Way Transportation Service, for authority to operate as a Passenger Stage Corporation to provide on-call services within and between the Counties of Los Angeles, Orange, Ventura, San Bernardino and Riverside, and the following airports, namely, Los Angeles, Burbank, John Wayne (Orange), Ontario, Long Beach and Ventura; and to establish a Zone of Rate Freedom.	Ratesetting	Ratesetting	NO
A04-01-039 LODI GAS STORAGE, L.L.C., for an Order of Exemption from Section 851 of the Public Utilities Code, pursuant to Section 853, for the assignment of Accounts Receivable to Securitize a Short-Term Working Capital Line of Credit.	Ratesetting	Ratesetting	NO

PRELIMINARY DETERMINATION SCHEDULE

Resolution ALJ 176-3128 (2/11/04)

NUMBER TITLE	PROPOSED CATEGORY	PRELIM. CATEGORY	HEARING
A04-01-040 SOUTHERN CALIFORNIA GAS COMPANY, (U 904-G), for authority pursuant to Public Utilities Code Section 851 to grant an Easement at the Honor Rancho Storage Field to Southern California Edison Company (U 338-E).	Ratesetting	Ratesetting	NO
A04-01-041 U.S. TELEPACIFIC CORP., (U 5721-C), to expand the scope of its existing for a Certificate of Public Convenience and Necessity to include the provision of limited facilities- based competitive local exchange service within the service territories of Roseville Telephone Company and Citizens Telecommunications Company of California, Inc.	Ratesetting	Ratesetting	NO
A04-02-001 TRANSCOM COMMUNICATIONS, INC., dba COMM PORT COMMUNICATIONS, for Registration as an Interexchange Carrier Telephone Corporation pursuant to the provisions of Public Utilities Code Section 1013.	NDIEC Registration Application	Ratesetting	NO
A04-02-003 TERRENCE AND ROSEANN GRIMM, Petition for Modification of Resolution E-3842, dated September 18, 2003.	Quasi- legislative	Ratesetting	NO
A04-02-004 BALBIR S. RANA, dba BAYEX AIRPORTER, IGOR SKORO, dba AAA AIRPORT-ONE-STOP SHUTTLE, Application for approval to transfer by sale Passenger Stage Corporation Certificate #14147 from Igor Skoro doing business as AAA Airport-One Stop-Shuttle to Balbir S. Rana doing business as Bayex Airporter pursuant to the provisions of Public Utilities Code Section 851.	Ratesetting	Ratesetting	NO